



March 23, 2006

**Los Angeles County  
Board of Supervisors**

**Gloria Molina**  
First District

**Yvonne B. Burke**  
Second District

**Zev Yaroslavsky**  
Third District

**Don Knabe**  
Fourth District

**Michael D. Antonovich**  
Fifth District

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE AMENDMENT TO AGREEMENT FOR SPECIALTY  
AND TEMPORARY TELERADIOLOGY SERVICES WITH  
RAD-IMAGE MEDICAL GROUP, INC.  
(2nd District) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Acting Director of Health Services, or his designee, to execute and sign Amendment No. 1 (Exhibit I) to Agreement No. H-701025 with Rad-Image Medical Group, Inc., for the provision of teleradiology services to Martin Luther King, Jr./Drew Medical Center, and to expand the provision of temporary teleradiology services to include Harbor-UCLA Medical Center, extend the hours of coverage, and extend the term of this Agreement, effective date of Board approval through May 16, 2007, for a total maximum obligation of \$1,325,000.
2. Delegate authority to the Acting Director of Health Services, or his designee, to add County Health facilities at the same rates, subject to review and approval by Chief Administrative Office and County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Approval of the Amendment to Agreement No. H-701025 with Rad-Image Medical Group, Inc. (Rad-Image) will continue the provision of teleradiology services to Martin Luther King, Jr./Drew Medical Center (King/Drew) through May 16, 2007.

The expansion of temporary teleradiology services to include Harbor/UCLA Medical Center (Harbor) will also ensure adequate radiology support coverage for the patients who receive services at the Harbor facility.

FISCAL IMPACT/FINANCING:

The total maximum obligation for the Agreement with Rad-Image, effective May 17, 2005 through May 16, 2006 is \$730,000 and the estimated maximum obligation for the Amendment, effective date of Board approval through May 16, 2007 will increase the total maximum obligation to \$1,325,000, consisting of \$980,000 for King/Drew and \$345,000 for Harbor. Funding is included in the Fiscal Year 2005-06 Final Budget and will be requested in future fiscal years.

**Bruce A. Chernof, MD**  
Acting Director and Chief Medical Officer

**John R. Cochran III**  
Chief Deputy Director

**William Loos, MD**  
Acting Senior Medical Officer

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

*To improve health  
through leadership,  
service and education.*



[www.ladhs.org](http://www.ladhs.org)

Payment to the contractor is based on a per-image read basis, with an additional flat rate fee per shift (7:00 p.m. to 7:00 a.m.). Additional details are provided in Attachment B.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Martin Luther King, Jr./Drew Medical Center

The Department of Health Services (DHS or Department) has experienced difficulty with the recruitment and retention of qualified physician radiologists. This shortage of qualified radiologists results in inadequate coverage particularly during the evening and nighttime hours. This recruitment problem became increasingly more difficult for King/Drew when the Accreditation Council on Graduate Medical Education removed the accreditation for their radiology resident training program, resulting in the loss of supplemental coverage provided by medical residents. Subsequently, staffing levels were reduced even further by the departures of additional radiologists.

To address these critical staffing shortages, on March 4, 2005, the Department processed an emergency purchase order to acquire the services of Rad-Image, Inc. to provide temporary teleradiology services during evening and nighttime hours. However, the term and funding allowed under the purchase order only provided coverage through March 31, 2005.

On April 15, 2005, the Department entered into a formal agreement with five radiologists to provide coverage in the emergency room and as needed radiology services for King/Drew.

On May 17, 2005, your Board approved a sole source agreement with Rad-Image to provide temporary teleradiology services. The services provided under this teleradiology agreement are during nighttime hours only, 11:00 p.m. to 7:00 p.m., and are referred to as "Nighthawk". Nighthawk services are performed off-site where a radiologist receives images forwarded electronically from King/Drew. Upon receipt, the radiologist reviews the images, prepares preliminary reports, sends the preliminary reports to King/Drew, and provides consultations by telephone, as necessary.

The recommended approval of this Amendment to the Agreement will continue the provision of teleradiology services to King/Drew, modify the shift from 11:00 p.m. to 7:00 a.m. to 7:00 p.m. to 7:00 a.m., and extend the term of the contract through May 16, 2007.

Harbor/UCLA Medical Center

The expansion of temporary teleradiology services to include Harbor is necessary because there are existing staff shortages that also impact the delivery of services for this facility. As in the case with King/Drew, it is difficult to recruit qualified physicians to provide comprehensive coverage on a 24-hour basis, especially during the evening and nighttime hours.

Harbor performs approximately 168,000 radiological exams annually, which is an estimated 14,000 radiological exams per month, and additional radiologists are needed to address this volume of work. In order to provide the staffing levels necessary for the needs of the service, the Department is recommending that contract temporary teleradiology services be expanded to include Harbor.

The scope of the services to be provided for Harbor will be similar to the service structure for King/Drew.

The teleradiology services will be provided during the nighttime hours of 7:00 p.m. to 7:00 a.m., seven days a week, including holidays. The services will be provided off-site where a radiologist will receive images forwarded electronically from Harbor. Upon receipt, the radiologist will review the images, prepare preliminary reports, send the preliminary reports to Harbor and provide consultations by telephone, as necessary.

The recommended approval of this Amendment will expand the provision of services to include Harbor and will extend the term through May 16, 2007. The approval of this Amendment is necessary to address critical staffing shortages, peak workloads and unexpected emergencies at both Harbor and King/Drew.

The Agreement with Rad-Image includes some standard provisions which were modified during negotiations with the Contractor and the recommendations from County Counsel. The major modifications included providing Rad-Image with mutual indemnification, an elimination of the County's ability to buy insurance in the event the Contractor fails to maintain required insurance coverage, and a limitation on damages if the Contractor fails to comply with indemnification or insurance requirements.

DHS has made a determination that the services are of a professional nature and are required on a part-time, temporary basis. These services will be utilized only for Nighthawk teleradiology services for which County employees and County re-employment list personnel are not available.

Under the termination provisions of this Agreement, either party may terminate the Agreement with a 30-day advance written notice to the other party.

Attachments A and B provide additional information.

County Counsel has reviewed and approved Exhibit I, as to use and form.

#### CONTRACTING PROCESS:

On May 17, 2005, the Board approved a sole source agreement with Rad-Image for the provision of temporary teleradiology services to King/Drew. The critical emergency that existed did not allow the opportunity for the Department to complete and release an open competitive solicitation for the provision of these services.

The Department will prepare, finalize, and release an open competitive solicitation as a Request for Qualifications (RFQ) that will be utilized to provide a resource list of qualified and available candidates with California licenses that can be utilized to address the staffing shortages at King/Drew and other DHS facilities, as needed.

The Department has determined that these Nighthawk teleradiology services do not fall under the Proposition A guidelines and therefore are not subject to the Living Wage Ordinance.

The RFQ will be advertised on the Office of Small Business Countywide Web Site (OSB).

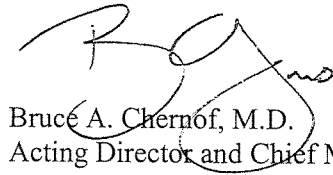
The Honorable Board of Supervisors  
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IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval of the recommended Amendment will ensure the continued provision of temporary teleradiology support to King/Drew and expand the provision of services to include Harbor and other DHS facilities, as needed.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bruce A. Chernof", is written over the printed name and title.

Bruce A. Chernof, M.D.  
Acting Director and Chief Medical Officer

BAC:jr  
BLKingHarborAmendment1Rad.ks.wpd

Attachments (3)

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

SUMMARY OF AMENDMENTS

1. TYPE OF SERVICE/PROJECT:

Temporary teleradiology services.

2. AGENCY ADDRESS AND CONTACT PERSON:

Rad-Image Medical Group, Inc.  
100 Oceangate, Suite 1000  
Long Beach, California 90802  
Attention: Jagdish M. Patel M.D. , President  
Telephone: (562) 590-7408

3. TERM:

Agreement: May 17, 2005 through May 16, 2006.  
Amendment: Date of Board approval through May 16, 2007

4. FINANCIAL INFORMATION:

The total maximum obligation for the agreement with Rad-Image, effective May 17, 2005 through May 16, 2006, for Fiscal Year (FY) 2005-06 is \$730,000, and the estimated maximum obligation for the amendment, date of Board approval through May 16, 2007, will increase the total maximum obligation to \$1,325,000, consisting of \$980,000 for King/Drew and \$345,000 for Harbor. Funding is included in the FY 05-06 Final Budget, and will be requested in future fiscal years.

5. GEOGRAPHIC AREA TO BE SERVED:

Supervisory Second District.

6. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Administrators and Medical Directors at Martin Luther King, Jr./Drew Medical Facility and Harbor-UCLA Medical Center.

7. APPROVALS:

Martin Luther King, Jr./Drew Medical Center: Antionette Epps, CEO

Harbor-UCLA Medical Center: Tecla Mickoseff, CEO

Contract and Grants: Cara O'Neill, Chief

County Counsel (review): Elizabeth J. Friedman, Senior Deputy County Counsel

**SPECIALTY MEDICAL SERVICES AND  
TEMPORARY MEDICAL PERSONNEL SERVICES AGREEMENT**

**MAXIMUM RATES UNDER AGREEMENT**

Coverage: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift (7:00 p.m. to 7:00 a.m.), including holidays.

Professional Services For Each Service Site:

A fee for each Study\*, determined on a monthly basis, as follows:

- (i) \$40 per Study, up to a total of 200 Studies, during a calendar month (Studies Numbers 1-200/calendar month);
- (ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);
- (iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in this section payable to Contractor for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows:

- (i) Studies Nos. 1-200 @ \$40 (200 Studies x \$40 = \$8,000);
- (ii) Studies Nos. 201-400 @ \$36 (200 Studies x \$36 = \$7,200); and
- (iii) Studies Nos. 401-450 @ \$34 (50 Studies x \$34 = \$1,700).

Total compensation includes the Coverage Fee **plus** the Professional Services Fee.

\*“Study” is defined as a procedure that is described under a particular procedural code under the then-applicable Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be fees for two Studies under this agreement.

**SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES AGREEMENT**

Amendment No. 1

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2006,

by and between COUNTY OF LOS ANGELES (hereafter  
"County")

and RAD-IMAGE MEDICAL GROUP, INC.  
(hereafter "Contractor")

WHEREAS, reference is made to that certain document entitled  
"SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES AGREEMENT" dated  
May 17, 2005 and further identified as County Agreement Number  
H-701025, and any Amendments thereto (all hereafter referred to  
as "Agreement");

WHEREAS, it is the intent of the parties hereto to extend  
Agreement and provide other changes set forth herein; and

WHEREAS, said Agreement provides that changes may be made in  
the form of a written Amendment which is formally approved and  
executed by the parties.

NOW, THEREFORE, the parties hereto agree as follows:

1. This Amendment shall become effective the date of Board  
approval.

2. Paragraph 1, TERM AND TERMINATION of the body of this  
Agreement shall be amended to read as follows:

"1. TERM AND TERMINATION: The term of this Agreement shall commence upon Board approval, and shall continue in full force and effect to and including May 16, 2007, 7:00 a.m. Pacific Time. Except as otherwise set forth below, this Agreement may be terminated at any time by the County or the Contractor, with or without cause, upon the giving of at least thirty (30) calendar days' advance written notice thereof to the other.

County may terminate this Agreement immediately if Contractor, or any of its officers, employees, or agents, including any one or more of its physician affiliates, fail to comply with the terms of this Agreement, or fail to carry out any directions within a reasonable lead-in time, by or on behalf of County issued pursuant hereto.

County may also terminate this Agreement immediately if Contractor, its officers, employees or agents, including its physician affiliates, engage in, or if County has reasonable justification to believe that Contractor, or such employees, or agents, including Contractor's physician affiliates, may be engaging in a course of conduct which poses an imminent danger to the life or health of County patients.

County's failure to exercise this right of termination shall not constitute waiver of such right, and the same may be exercised at any subsequent time.



Immediate termination hereunder shall be effected by delivery to Contractor of a written "Notice of Immediate Termination" which shall be effective upon Contractor's receipt of such "Notice of Immediate Termination."

3. Paragraph 3, DESCRIPTION OF SERVICES, of the body of the Agreement shall be amended to read as follows:

"3. DESCRIPTION OF SERVICES:

A. Contractor shall, upon the written request of Director or Administrator, arrange for the provision of the specialty medical services described in Exhibits A-1, and C, attached hereto and incorporated herein by reference.

B. Maximum Obligation of County

During the period date of Board approval through May 16, 2007, the maximum obligation of County for all services provided hereunder shall not exceed One Million, Three Hundred Twenty Five Thousand Dollars (\$1,325,000)."

4. Paragraph 4, BILLING AND PAYMENT, of the body of the Agreement shall be amended to read as follows:

"4. BILLING AND PAYMENT: All billings by Contractor for services provided pursuant to this Agreement shall be in accordance with the terms, conditions, and rates set forth

in Exhibits B-1, and D, attached hereto and incorporated herein by reference.

Each County Medical Facility is required to maintain patient and other records for physicians providing services at the Medical Facility, including those for Contractor and Contractor's referred physician affiliate(s) (collectively hereafter "Contractor"). Such records may include, but are not limited to: Physician Time Allocation Survey, Professional Services Assignment Agreement, and a Medicare Penalty Statement. Contractor shall fully cooperate with Medical Facility in completing such records whenever requested by Administrator to do so."

5. Paragraph 5, NONEXCLUSIVITY, of the body of the Agreement shall be amended to read as follows:

"5. NONEXCLUSIVITY: Contractor acknowledges that it is not the exclusive provider to County of the services to be provided under this Agreement, and that County has, or intends to enter into, contracts with other providers of said services for the provision of County thereof. County promises, however, to use its best efforts to utilize Contractor for some services during the Agreement term. Contractor agrees to provide County during the term of this Agreement with the services in Exhibits A-1, and C as County

may require of Contractor from time to time."

6. Paragraph 9., INSURANCE COVERAGE REQUIREMENTS, of the body of the Agreement shall be amended to read as follows:

"9. INSURANCE COVERAGE REQUIREMENTS:

A. General Liability Insurance (written on Insurance Services Office [ISO] policy form "CG 00 01" or its equivalent) with limits of not less than the following:

General Aggregate:	\$3 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million
Each Occurrence:	\$1 Million

B. Workers' Compensation and Employer's Liability: insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible.

In all cases, the above insurance also shall include-Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 Million
Disease - Policy Limit:	\$1 Million
Disease - Each Employee:	\$1 Million

C. Professional Liability Insurance: covering liability arising from any error, omission, negligent or wrongful act of Contractor, its officers or employees, with limits of not less than \$1 Million per occurrence and \$3 Million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon expiration or earlier termination or cancellation of this Agreement."

7. Paragraph 32, CONTRACTOR RESPONSIBILITY AND DEBARMENT, of the ADDITIONAL PROVISIONS shall be amended to read as follows:

"32. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts, which indicates that Contractor is not responsible, County may, in addition to other remedies provided in the contract, debar Contractor from bidding or proposing

on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

C. County may debar Contractor if County's Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a non profit corporation created by County, (2) committed an act or omission which negatively reflects on Contractor's quality, fitness or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise

Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether contractor should be debarred, and if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the

hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to any subcontractors of County Contractors."

8. Exhibit A, DESCRIPTION OF SERVICES of this Agreement shall be deleted in its entirety and shall be replaced with Exhibit A-1, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES MARTIN LUTHER KING, JR./DREW MEDICAL CENTER, attached hereto and incorporated herein by reference.



9. Exhibit B, BILLING, PAYMENT, AND SCHEDULE OF RATES, to this Agreement shall be deleted in its entirety and shall be replaced with Exhibit B-1, BILLING, PAYMENT, AND SCHEDULE OF RATES MARTIN LUTHER KING, JR./DREW MEDICAL CENTER, attached hereto and incorporated herein by reference.

10. Exhibit C, DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES HARBOR-UCLA MEDICAL CENTER, is attached to this Amendment and incorporated into Agreement by reference.

11. Exhibit D, BILLING, PAYMENT, AND SCHEDULE OF RATES HARBOR-UCLA MEDICAL CENTER, is attached to this Amendment and incorporated into Agreement by reference.

12. Except for the changes set forth hereinabove, Agreement shall not be changed in any other respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its

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Director of Health Services, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Bruce A. Chernof,  
Acting Director and Chief Medical  
Officer

RAD-IMAGE MEDICAL GROUP, INC.  
Contractor

APPROVED AS TO FORM  
BY THE OFFICE OF THE  
COUNTY COUNSEL

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Deputy County Counsel

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO CONTRACT  
ADMINISTRATION:

By \_\_\_\_\_  
Cara O'Neill  
Chief, Contracts and Grants

ks:03/03/06  
RAD.KING/HARB.AMEND1CD.KS

EXHIBIT A-1

DESCRIPTION OF SERVICES

SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES  
TO MARTIN LUTHER KING, JR./DREW MEDICAL CENTER

1. SERVICES TO BE PROVIDED: Contractor shall provide or arrange for the provision of Teleradiology Services (as hereinafter defined), in accordance with the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, "Teleradiology Services" means the Professional Services and Coverage described in Section 2 (A) of this Agreement and defined as a radiologic professional interpretation of radiographic studies performed at a remote site with images transmitted electronically. "Service Site" is defined as a place at which radiologic procedures are performed and images obtained. One of the Service Sites for this Agreement is located at Martin Luther King, Jr./Drew Medical Center (MLKD), 12021 South Wilmington Avenue, Los Angeles, California, 90059, a Medical Facility. "Reading Site" is defined as a place at which radiologic images are interpreted.

Contractor's obligations are limited to the specific obligations described in this Agreement, and Contractor has no additional responsibilities in connection with the provision of radiology or other imaging services or the operation of the radiology department(s) at or for the Medical Facility. The

obligations of Contractor shall not include overall physician responsibility for the Medical Facility's radiological service under state licensing laws and regulations or under any hospital accreditation standards or requirements, and Medical Facility acknowledges that it is looking to Medical Facility Radiologists to exercise and fulfill such physician responsibility.

2. CONTRACTOR RESPONSIBILITIES:

A. Professional Services: Contractor shall provide or arrange for the provision of the following services (collectively, the "Professional Services"), to be provided by one or more physician employees or independent contractors (each, a "Reader") of Contractor during the Hours of Coverage described in Section 2 (F) of this Exhibit:

(1) Review of the images (sometimes referred to as "studies") received at a Reading Site from the Service Site;

(2) Completion of a preliminary report ("Preliminary Report"), consisting of the Reader's typed or handwritten notations on the patient information sheet (or other form as specified by Contractor) transmitted electronically to Contractor's designated website or by facsimile from a Service Site

to a Reading Site (commonly referred to as a "wet read"), and/or such other information in such form as may be required under this Agreement;

(3) Transmittal of the Preliminary Report to the Service Site by one or more of the methods described in Section 2; and

(4) Telephone consultation by the Reader with a physician, physician designee, or nurse at the Service Site, to the extent that the patient's condition requires such consultation, and the consultation has been requested from the Service Site prior to or immediately following transmission or identification by the Reader that there exists on the image a condition/result needing immediate attention and/or requiring clarification.

B. Mammography studies shall not be included within the scope of this Agreement unless and until the American College of Radiology and the United States Food and Drug Administration adopt acceptable digital transmission standards at which mammography studies may be transmitted and interpreted by teleradiology, and the parties have amended this Agreement to provide for such inclusion.

C. The Professional Services shall be provided for the Service Site during the "Hours of Coverage" upon request from authorized physicians or other personnel at the Service Site.

D. The Preliminary Report is intended to provide diagnostic information for immediate acute patient care and triage. The Preliminary Report is not intended to comment upon any findings that do not impact immediate acute patient care and triage. Medical Facility shall arrange for its MLKD Radiologists to review the image(s) within twenty-four (24) hours of receipt of the Preliminary Report at the Service Site for purposes of corroborating Contractor's Preliminary Report findings, evaluating and diagnosing additional findings, if any, and preparing the final report.

E. Business License: Contractor shall provide evidence that it has, for a minimum of three (3) years, been in business as a provider of teleradiology services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services, Contracts and Grants Division, with a copy of its current business license(s) and appropriate Employer Identification Number.

F. Hours of Coverage: Contractor shall arrange for a Reader or Readers to be available at a Reading Site ("Coverage") to perform Professional Services during the hours of 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a week, including holidays.

G. Qualifications of Readers: Each Reader shall;

(a) possess the necessary license(s) to perform the professional services required under this Agreement;

(b) maintain medical staff privileges at the Service Site(s), if required by the Service Site hospital(s); and

(c) be Board Certified in Radiology.

3. PERFORMANCE REQUIREMENTS: The services provided by the Readers hereunder shall satisfy the following performance requirements:

A. Preliminary results shall be communicated to the Medical Facility Service Site by one or more of the following methods: (i) electronic Internet transmission, in which case the Preliminary Report is available to the Service Site by logging onto Contractor's secure website;

(ii) by facsimile transmission to the Service Site; (iii) by voice telephone call followed by electronic Internet transmission or by facsimile transmission as described in (i) or (ii) (such follow-up transmission of the Preliminary Report shall be made within one and one half (1½) hours after transmission of the Preliminary Report by voice telephone call); or (iv) by other means agreed to by the parties or as otherwise specified in this Agreement. The Reader shall communicate by voice any results that need immediate attention.

B. Contractor shall require the Readers to use their reasonable best efforts to communicate preliminary results within thirty (30) minutes following receipt of the complete imaging file and all pertinent patient information; provided, however, that Contractor shall not be considered to be in breach of this provision to the extent that additional time is reasonably required in the interest of quality of care, so long as the Reader communicates such results as promptly as practicable in the circumstances. The foregoing shall not be construed to be a guarantee that preliminary results will be communicated within such time frame in all cases.



C. Contractor shall not be responsible for delays caused by insufficient patient information, receipt of incomplete or inadequate images at a Reading Site, or facsimile or Internet reception failure at a Service Site. Each of the parties shall work cooperatively to achieve the aforementioned report turnaround goals.

4. EQUIPMENT AND SUPPLIES: Contractor, at no cost to Medical Facility, shall provide or arrange for the provision of the following items and services (collectively, the "Equipment and Supplies"):

A. Computer hardware selected by Contractor, to be utilized at the Reading Site(s);

B. Computer software selected by Contractor, to be utilized at the Reading Site(s);

C. Installation of software at the Reading Site(s), and training of personnel utilizing computer hardware and software at the Reading Site(s);

D. Facsimile, telephone, and other telecommunications equipment to be utilized at the Reading Site(s); and

E. Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Reading Site(s) in connection with the foregoing.

F. Elements to be Provided by Medical Facility

1. Equipment, Software, and Supplies: Medical Facility shall provide or arrange for the following items, at no cost to Contractor:

(a) RadWorks Gateway Module (or other image compressor, subject to Contractor's prior approval), to be utilized at the Service Site;

(b) CISCO network hardware and software, to be utilized at the Service Site;

(c) Installation of software at the Service Site, and training of personnel utilizing computer hardware and software at the Service Site;

(d) High-speed communication lines and Internet Provider Service from the Service Site(s);

(e) Facsimile, telephone, and other telecommunications equipment to be utilized at the Service Site; and

(f) Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Service Site in connection with the foregoing.

2. Functioning and Compatibility of Equipment and Software: Medical Facility shall cause all of the equipment and software referenced in Section F hereof to be fully functional and fully compatible with Contractor's equipment and/or software at all times from and after the start of services throughout the term hereof, subject to reasonable periods of short duration during which maintenance, repair, upgrade, or replacement may be required.

5. PERSONNEL: Medical Facility shall employ or cause to be employed at the Service Site(s) certified radiological technologists to properly transmit images to the Reading Site(s).

6. COMMUNICATION OF STUDY INTERPRETATIONS: Medical Facility shall take such actions as may be necessary, including provision of sufficient resources at the Service Site, to ensure the immediate communication to the referring physician and/or other appropriate physician(s) of all interpretations of studies performed by the Readers and communicated to a Service Site.

7. MAINTENANCE OF FILMS AND PATIENT RECORDS: Medical Facility shall maintain all radiographic films and related patient records pertaining to studies interpreted by the Readers

in accordance with applicable federal and state laws and shall discharge any obligation that Contractor and/or the Readers may have under such laws with respect to such films and records, including but not limited to the preservation of confidentiality at the Service Site(s). Upon request by Contractor, for reasonable business purposes, including patient treatment or in connection with a professional liability claim, Medical Facility shall transmit electronic copies to Contractor and provide access to such films and records by the requesting party or its authorized agent, including the right to make copies thereof at the expense of the requesting party.

8. ADDITIONAL OBLIGATIONS OF MEDICAL FACILITY:

A. Medical Facility shall notify Contractor of the telephone and facsimile numbers and contact person at each Service Site prior to the Commencement Date.

B. In the event Medical Facility or its agent or representative at a Service Site experiences difficulty in transmitting an image to a Reading Site, Medical Facility or its agent or other representative shall notify Contractor of such difficulty by telephone immediately.

C. Medical Facility shall cooperate with Contractor in the delivery of the services to be provided hereunder, including providing reasonable assistance to Readers seeking medical staff privileges at the Service Site.

D. Medical Facility shall be responsible for obtaining or for causing the physician requesting the Professional Services at the Service Site to obtain any necessary informed consents from patients relating to the provision of Teleradiology Services.

E. Medical Facility shall cause County on-site Radiologists to perform image review in connection with its preparation of the final report, in accordance with Section 2.(D).

F. Medical Facility shall cause County Radiologists to perform image review in the event that Contractor is unable to receive reviewable images and/or sufficient patient information from the Service Site during the Hours of Coverage for reason of failure of equipment as referenced in Paragraphs 4. F. 1. and 2., above.

G. Medical Facility shall cause County Radiologists to exercise overall responsibility for Medical Facility's

radiological service at each Service Site to the extent that such responsibility is required to be exercised by a physician or physician group under state licensing laws and regulations or under any applicable hospital accreditation standards or requirements.

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EXHIBIT B-1

BILLING, PAYMENT, AND SCHEDULE OF RATES  
MARTIN LUTHER KING, JR./DREW MEDICAL CENTER

1. BILLING AND PAYMENT: Contractor shall bill County in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each month. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

2. COMPENSATION RATES: County shall compensate Contractor for providing services hereunder in accordance with the schedule of rate(s) listed below:

(a) Hours of Coverage: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift. "Shift" is defined as 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a week; including holidays, and

(b) Professional Services: A fee for each Study, determined on a monthly basis, as follows:

(i) \$40 per Study, up to a total of 200 Studies, during a calendar month (Studies Numbers 1-200/calendar month);

(ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);

(iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in Section 2(b) payable by Medical Facility to Contractor hereunder for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows: (i) Studies Nos. 1-200 @ \$40 (200 Studies x \$40 = \$8,000); (ii) Studies Nos. 201-400 @ \$36 (200 Studies x \$36 = \$7,200); and (iii) Studies Nos. 401-450 @ \$34 (50 Studies x \$34 = \$1,700).



Total compensation shall include Shift Fees (\$150 per shift) and Professional Services Fees.

3. For purposes of this Exhibit B-1, "Study" means a procedure that is described under a particular procedural code under the Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be a fee for two (2) Studies under this Agreement.

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## EXHIBIT C

### DESCRIPTION OF SERVICES SPECIALTY AND TEMPORARY TELERADIOLOGY SERVICES TO HARBOR-UCLA MEDICAL CENTER

1. SERVICES TO BE PROVIDED: Contractor shall provide or arrange for the provision of Teleradiology Services (as hereinafter defined), in accordance with the terms and subject to the conditions set forth in this Agreement. For purposes of this Agreement, "Teleradiology Services" means the Professional Services and Coverage described in Section 2 (A) of this Agreement and defined as a radiologic professional interpretation of radiographic studies performed at a remote site with images transmitted electronically. "Service Site" is defined as a place at which radiologic procedures are performed and images obtained. One of the Service Sites for this Agreement is located at Harbor-UCLA (Harbor) Medical Center, 1000 West Carson Street, Torrance, California, 90509, a Medical Facility. "Reading Site" is defined as a place at which radiologic images are interpreted.

Contractor's obligations are limited to the specific obligations described in this Agreement, and Contractor has no additional responsibilities in connection with the provision of radiology or other imaging services or the operation of the radiology department(s) at or for the Medical Facility. The obligations of Contractor shall not include overall physician

responsibility for the Medical Facility's radiological service under state licensing laws and regulations or under any hospital accreditation standards or requirements, and Medical Facility acknowledges that it is looking to Medical Facility Radiologists to exercise and fulfill such physician responsibility.

2. CONTRACTOR RESPONSIBILITIES:

A. Professional Services: Contractor shall provide or arrange for the provision of the following services (collectively, the "Professional Services"), to be provided by one or more physician employees or independent contractors (each, a "Reader") of Contractor during the Hours of Coverage described in Section 2 (F) of this Exhibit:

(1) Review of the images (sometimes referred to as "studies") received at a Reading Site from the Service Site;

(2) Completion of a preliminary report ("Preliminary Report"), consisting of the Reader's typed or handwritten notations on the patient information sheet (or other form as specified by Contractor) transmitted electronically to Contractor's designated website or by facsimile from a Service Site to a Reading Site (commonly referred to as a "wet read"), and/or such other information in such form as may be required under this Agreement;

(3) Transmittal of the Preliminary Report to the Service Site by one or more of the methods described in Section 2; and

(4) Telephone consultation by the Reader with a physician, physician designee, or nurse at the Service Site, to the extent that the patient's condition requires such consultation, and the consultation has been requested from the Service Site prior to or immediately following transmission or identification by the Reader that there exists on the image a condition/result needing immediate attention and/or requiring clarification.

B. Mammography studies shall not be included within the scope of this Agreement unless and until the American College of Radiology and the United States Food and Drug Administration adopt acceptable digital transmission standards at which mammography studies may be transmitted and interpreted by teleradiology, and the parties have amended this Agreement to provide for such inclusion.

C. The Professional Services shall be provided for the Service Site during the "Hours of Coverage" upon request from authorized physicians or other personnel at the Service Site.

D. The Preliminary Report is intended to provide diagnostic information for immediate acute patient care and triage. The Preliminary Report is not intended to comment upon any findings that do not impact immediate acute patient care and triage. Medical Facility shall arrange for its Harbor Radiologists to review the image(s) within twenty-four (24) hours of receipt of the Preliminary Report at the Service Site for purposes of corroborating Contractor's Preliminary Report findings, evaluating and diagnosing additional findings, if any, and preparing the final report.

E. Business License: Contractor shall provide evidence that it has, for a minimum of three (3) years, been in business as a provider of teleradiology services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services, Contracts and Grants Division, with a copy of its current business license(s) and appropriate Employer Identification Number.

F. Hours of Coverage: Contractor shall arrange for a Reader or Readers to be available at a Reading Site ("Coverage") to perform Professional Services during the hours of 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a

week, including holidays.

G. Qualifications of Readers: Each Reader shall;

(a) possess the necessary license(s) to perform the professional services required under this Agreement;

(b) maintain medical staff privileges at the Service Site(s), if required by the Service Site hospital(s); and

(c) be Board Certified in Radiology.

3. PERFORMANCE REQUIREMENTS: The services provided by the Readers hereunder shall satisfy the following performance requirements:

A. Preliminary results shall be communicated to the Medical Facility Service Site by one or more of the following methods: (i) electronic Internet transmission, in which case the Preliminary Report is available to the Service Site by logging onto Contractor's secure website; (ii) by facsimile transmission to the Service Site; (iii) by voice telephone call followed by electronic Internet transmission or by facsimile transmission as described in (i) or (ii) (such follow-up transmission of the Preliminary Report shall be made within one and one half (1½) hours after transmission of the Preliminary Report by voice

telephone call); or (iv) by other means agreed to by the parties or as otherwise specified in this Agreement. The Reader shall communicate by voice any results that need immediate attention.

B. Contractor shall require the Readers to use their reasonable best efforts to communicate preliminary results within thirty (30) minutes following receipt of the complete imaging file and all pertinent patient information; provided, however, that Contractor shall not be considered to be in breach of this provision to the extent that additional time is reasonably required in the interest of quality of care, so long as the Reader communicates such results as promptly as practicable in the circumstances. The foregoing shall not be construed to be a guarantee that preliminary results will be communicated within such time frame in all cases.

C. Contractor shall not be responsible for delays caused by insufficient patient information, receipt of incomplete or inadequate images at a Reading Site, or facsimile or Internet reception failure at a Service Site. Each of the parties shall work cooperatively to achieve the aforementioned report turnaround goals.

4. EQUIPMENT AND SUPPLIES: Contractor, at no cost to Medical Facility, shall provide or arrange for the provision of the following items and services (collectively, the "Equipment and Supplies"):

A. Computer hardware selected by Contractor, to be utilized at the Reading Site(s);

B. Computer software selected by Contractor, to be utilized at the Reading Site(s);

C. Installation of software at the Reading Site(s), and training of personnel utilizing computer hardware and software at the Reading Site(s);

D. Facsimile, telephone, and other telecommunications equipment to be utilized at the Reading Site(s); and

E. Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Reading Site(s) in connection with the foregoing.

F. Elements to be Provided by Medical Facility

1. Equipment, Software, and Supplies: Medical Facility shall provide or arrange for the following items, at no cost to Contractor:

(a) RadWorks Gateway Module (or other image compressor, subject to Contractor's prior approval), to be utilized at the Service Site;



(b) CISCO network hardware and software, to be utilized at the Service Site;

(c) Installation of software at the Service Site, and training of personnel utilizing computer hardware and software at the Service Site;

(d) High-speed communication lines and Internet Provider Service from the Service Site(s);

(e) Facsimile, telephone, and other telecommunications equipment to be utilized at the Service Site; and

(f) Any supplies, services, maintenance, repairs, and upgrades reasonably required at the Service Site in connection with the foregoing.

2. Functioning and Compatibility of Equipment and Software: Medical Facility shall cause all of the equipment and software referenced in Section F hereof to be fully functional and fully compatible with Contractor's equipment and/or software at all times from and after the start of services throughout the term hereof, subject to reasonable periods of short

duration during which maintenance, repair, upgrade, or replacement may be required.

5. PERSONNEL: Medical Facility shall employ or cause to be employed at the Service Site(s) certified radiological technologists to properly transmit images to the Reading Site(s).

6. COMMUNICATION OF STUDY INTERPRETATIONS: Medical Facility shall take such actions as may be necessary, including provision of sufficient resources at the Service Site, to ensure the immediate communication to the referring physician and/or other appropriate physician(s) of all interpretations of studies performed by the Readers and communicated to a Service Site.

7. MAINTENANCE OF FILMS AND PATIENT RECORDS: Medical Facility shall maintain all radiographic films and related patient records pertaining to studies interpreted by the Readers in accordance with applicable federal and state laws and shall discharge any obligation that Contractor and/or the Readers may have under such laws with respect to such films and records, including but not limited to the preservation of confidentiality at the Service Site(s). Upon request by Contractor, for reasonable business purposes, including patient treatment or in connection with a professional liability claim, Medical Facility

shall transmit electronic copies to Contractor and provide access to such films and records by the requesting party or its authorized agent, including the right to make copies thereof at the expense of the requesting party.

8. ADDITIONAL OBLIGATIONS OF MEDICAL FACILITY:

A. Medical Facility shall notify Contractor of the telephone and facsimile numbers and contact person at each Service Site prior to the Commencement Date.

B. In the event Medical Facility or its agent or representative at a Service Site experiences difficulty in transmitting an image to a Reading Site, Medical Facility or its agent or other representative shall notify Contractor of such difficulty by telephone immediately.

C. Medical Facility shall cooperate with Contractor in the delivery of the services to be provided hereunder, including providing reasonable assistance to Readers seeking medical staff privileges at the Service Site.

D. Medical Facility shall be responsible for obtaining or for causing the physician requesting the Professional Services at the Service Site to obtain any necessary informed consents from patients relating to the provision of

Teleradiology Services.

E. Medical Facility shall cause County on-site Radiologists to perform image review in connection with its preparation of the final report, in accordance with Section 2.(D).

F. Medical Facility shall cause County Radiologists to perform image review in the event that Contractor is unable to receive reviewable images and/or sufficient patient information from the Service Site during the Hours of Coverage for reason of failure of equipment as referenced in Paragraphs 4. F. 1. and 2., above.

G. Medical Facility shall cause County Radiologists to exercise overall responsibility for Medical Facility's radiological service at each Service Site to the extent that such responsibility is required to be exercised by a physician or physician group under state licensing laws and regulations or under any applicable hospital accreditation standards or requirements.

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EXHIBIT D

BILLING, PAYMENT, AND SCHEDULE OF RATES  
HARBOR-UCLA MEDICAL CENTER

1. BILLING AND PAYMENT: Contractor shall bill County in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each month. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

2. COMPENSATION RATES: County shall compensate Contractor for providing services hereunder in accordance with the schedule of rate(s) listed below:

(a) Hours of Coverage: A fixed fee in the amount of One Hundred Fifty Dollars (\$150) for each Shift. "Shift"

is defined as 7:00 p.m. to 7:00 a.m. Pacific Time, seven days a week; including holidays, and

(b) Professional Services: A fee for each Study, determined on a monthly basis, as follows:

(i) \$40 per Study, up to a total of 200 Studies, during a calendar month (Studies Numbers 1-200/calendar month);

(ii) \$36 per Study, for any Study during a calendar month after the first 200 Studies in the same calendar month (Studies Numbers 201-400/calendar month);

(iii) \$34 per Study, for any Study during a calendar month after the first 400 Studies in the same calendar month (Studies Numbers 401-600/calendar month);

For example, the compensation described in Section 2(b) payable by Medical Facility to Contractor hereunder for a calendar month in which there are 450 Studies shall be \$16,900, calculated as follows: (i) Studies Nos. 1-200 @ \$40 (200 Studies x \$40 = \$8,000); (ii) Studies Nos. 201-400 @ \$36 (200 Studies x \$36 = \$7,200); and (iii) Studies Nos. 401-450 @ \$34 (50 Studies x \$34 = \$1,700).

Total compensation shall include Shift Fees (\$150 per shift) and Professional Services Fees.

3. For purposes of this Exhibit D, "Study" means a procedure that is described under a particular procedural code under the Current Procedure Terminology (CPT) of the American Medical Association, consistent with generally accepted billing practices (whether or not a particular payer in any particular case actually pays the bill for such procedure). For example, if two (2) CPT codes are utilized, consistent with generally accepted billing practices, to describe the professional services furnished under this Agreement, there would be a fee for two (2) Studies under this Agreement.

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